

**PROPOSED METHOD OF DISPOSITION – (FOREST LAWN INDUSTRIAL) – WARD 10
(CLLR. ANDRE CHABOT) FILE NO: 2404 50 ST SE (TB)**

SUMMARY/ISSUE

Authorization for marketing of the Property to non-market housing providers, to be administered by the Office of Land Servicing & Housing, and authorization to negotiate a sale of the Property to the successful applicant(s).

Authorization for publically marketing the Property, to be administered by the Office of Land Servicing & Housing, and authorization to negotiate a sale of the Property to the successful applicant(s) in the event that no non-market housing providers are interested in the Property.

PREVIOUS COUNCIL DIRECTION/POLICY
None

ADMINISTRATION RECOMMENDATIONS:

That the Land and Asset Strategy Committee recommend that Council:

1. Authorize the recommendation as outlined in attachment 2;
2. Request that attachments 4 and 5 be removed from this report prior to being forwarded to Council and that attachments 4 and 5 remain confidential pursuant to sections 23(1)(b), 24(1)(a), 24(1)(c), 24(1)(g) and 25(1)(b) of the *Freedom of Information and Protection of Privacy Act* and that Council consider attachments 4 and 5 in camera if requested by Council; and
3. Request that the recommendations, report and attachments 1, 2, and 3 remain confidential under Sections 23(1)(b), 24(1)(a), 24(1)(c), 24(1)(g) and 25(1)(b) of the *Freedom of Information and Protection of Privacy Act* until the report is published in the Council agenda.

**RECOMMENDATION OF THE LAND AND
ASSET STRATEGY COMMITTEE, DATED
2015 NOVEMBER 19:**

That Council:

1. Authorize the recommendation as outlined in attachment 2; and
2. Keep Attachments 4 and 5 remain confidential pursuant to sections 23(1)(b), 24(1)(a), 24(1)(c), 24(1)(g) and 25(1)(b) of the *Freedom of Information and Protection of Privacy Act*.

INVESTIGATION

The Property is a 15,825 sq. ft. improved site located within the community of Forest Lawn Industrial and has been in City ownership since 1977. Up until 1997, the Property had operated as the Little People's Daycare and in 1998, subsequent to Council approval of CPS98-39, The City received funding from the Calgary Home Builders, the Calgary Homeless Foundation and the Calgary Community Lottery Board to convert the former daycare into the Forest Lawn Transitional Lodge, a public transitional facility for employed and employable adults.

The improvement can accommodate up to 27 individuals in single bedrooms with shared washrooms and cooking facilities, and a single one bedroom apartment for on-site staff. Since opening in 1999 the Calgary Housing Company (CHC) has managed and operated the Property.

Over the years, CHC and the Office of Land Servicing & Housing (OLSH) have been approached by a variety of not for profit groups to purchase the Forest Lawn Transitional Lodge for the purpose of

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operating public service programs. The intention of marketing the Property to non-market housing providers is to ensure that the Property continues to operate as a facility focused on affordable housing.

In the event that Administration is not in meaningful negotiations within a reasonable time period with a non-market housing provider, it is Administration's intention to remarket the Property to the open market. Proceeds of the sale will contribute to the development of affordable housing within Calgary.

IMPLICATIONS

General

The sale of the Property supports The City's objectives identified within the Ten Year Plan to End Homelessness, as well as part of the Municipal Development Plan policies that encourages access to adequate and affordable housing opportunities by ensuring that the residential planning framework supports the delivery of housing supply in a range of types and tenures to meet current and future community needs.

Social

The demand for affordable housing options throughout The City continues to exceed the supply. Thus, marketing to non market housing providers will ensure that the Property continues to operate and provide the much needed space for individuals in need. Conversely, if sold through the open market, proceeds of the sale will be allocated to affordable housing development opportunities, thus achieving the same outcome.

Environmental

The Property has been reviewed in accordance with The City of Calgary's Sales, Acquisitions, and Leases Environmental

(S.A.L.E.) Policy, A Phase I ESA has been completed for the property and the findings recommend that no further environmental investigations are required.

The Property is to be sold "as is" and the purchaser is to assume all responsibility and liability, including, without limitation, any environmental matters existing as of the Closing Date.

Economic (External)

Calgary's Ten Year Plan to End Homelessness identifies that it costs two to three times less to provide appropriate housing and support to a person at risk of or experiencing homelessness compared to providing that same person with short term and ongoing emergency and institutional responses.

Economic benefits can be realized by providing suitable, safe, and affordable accommodations for individuals in need. Additionally, the sale of the Property may add to the annual tax base, and will allow for OLSH to invest the net proceeds of the sale back into affordable housing developments.

BUSINESS PLAN/BUDGET IMPLICATIONS

The sale will be recorded in the Office of Land Servicing & Housing's Operating Program 488 and net proceeds from the sale will be transferred to the Corporate Housing Reserve.

RISKS

The current direct control (DC) Bylaw for the Property limits its discretionary uses to that of a general light industrial district, and a lodging facility. Thus, it is anticipated that a land use amendment will be required to allow for any residential use other than a lodging facility. Approval of a land use amendment is not guaranteed and may pose as a risk to potential purchasers.

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By targeting non market housing providers, the sale of the Property may generate community and industry opposition. However, this risk can be mitigated by ensuring that the marketing material clearly depicts the objectives of The City in selling the Property.

VALUATION

The reserve price of the Property is based on an independent appraisal which has been endorsed by Administration's Valuation Review Committee. The comparable sales analyzed are included in Attachment 4.

ATTACHMENTS

1. Site Map
2. Recommendations
3. Summary of Additional Property Information
4. **Removed per Committee motion**
5. **Removed per Committee motion**